

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

**IN RE: EPHEDRA PRODUCTS  
LIABILITY LITIGATION**

**04 MDL 1598 (JSR)**

**IN RE: MUSCLETECH RESEARCH AND  
DEVELOPMENT, INC., et al.,**

**06 Civ. 538 (JSR)**

Foreign Applicants in Foreign Proceedings.

**IN RE: RSM RICHTER, INC.,** as Foreign  
Representative of MuscleTech Research and  
Development, Inc. and its subsidiaries,

**06 Civ. 539 (JSR)**

Plaintiffs,

v.

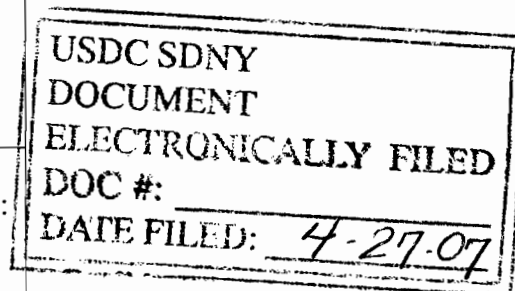
**SHARON AGUILAR,** an individual, et al.,

Defendants.

**FINAL ORDER AUTHORIZING  
RELEASE OF ESCROW FUNDS AND  
APPROVING COMPROMISE OF  
CLAIMS OF MINORS**

**PERTAINS TO THE FOLLOWING CASE:**

McLaughlin v. MuscleTech Research &  
Development, Inc., et al.  
No. 1:07-cv-02816



**AND NOW**, this 26<sup>th</sup> day of April, 2007, upon consideration of the Settlement Agreement and Release among the Plaintiff, the Defendants, and RSM Richter, Inc., in its capacity as the court-appointed monitor (the "Monitor") and foreign representative of Defendant MuscleTech Research and Development, Inc. ("MuscleTech") and certain of its subsidiaries, and upon consideration of the Escrow Agreement (the "Escrow Agreement") among the Plaintiff, counsel for the Plaintiff, the Monitor, and Duane Morris LLP, as escrow agent (the "Escrow Agent"). and (a) having determined that the Plaintiff's attorney's fees, as modified by

this Court in the closed hearing in this matter on April 5, 2007, are reasonable, (b) having considered the Plaintiff's objection to the 6% assessment on the Settlement Amount (as defined in the Settlement Agreement) described at ¶ 2 of Case Management Order No. 7 and the response of the Plaintiffs' Coordinating Counsel thereto, and (c) it appearing to the satisfaction of the Court that it would be in the best interests of Ryan McLaughlin and Mark McLaughlin, minor children of the deceased. Laurie McLaughlin (the "Minor Children"), to settle their claims against the Defendants pursuant to the terms of the Settlement Agreement and Release and the Escrow agreement, it is hereby **ORDERED** as follows:

1. The Plaintiff, Timothy A. McLaughlin, as parent and natural guardian of the Minor Children, is hereby authorized and permitted to compromise and settle the claims of the Minor Children on their behalf against the Defendants pursuant to the terms of the Settlement Agreement and Release and the Escrow Agreement, conditioned upon compliance with the remaining provisions of this Order;

2. The Plaintiff's recovery, individually and as Special Administrator of the Estate of Laurie McLaughlin, deceased, shall be assessed at the rate of 6% of the gross value of the Settlement Amount (the "Assessed Amount"). The Escrow Agent shall promptly pay into the Court the Assessed Amount out of the Escrow Fund (as defined in the Escrow Agreement), in accordance with the procedures described in Case Management Order No. 7 ¶ 2(c). The Payer Statement to be submitted by the Escrow Agent in conjunction with payment of the Assessed Amount shall name the Escrow Agent as the "Payer," and, in accordance with Case Management Order No. 17, shall reflect that 2/3 of the Assessed Amount is to be directed to the Ephedra Plaintiffs' Common Attorney Fee Fund (the "Fee Fund"), and 1/3 of the Assessed Amount is to be directed to the Ephedra Plaintiffs' Common Expense Fund (the "Expense Fund").

3. The Escrow Agent is authorized to release to the Plaintiff's counsel from the Escrow Fund the difference between the Settlement Amount and, collectively, (a) the Assessed Amount, in accordance with the procedures described at ¶ 2(c) of Case Management Order No. 7, and (b) the total combined cost of two annuities to be purchased by the Escrow Agent on behalf of the Minor Children, with the following future periodic payments to be payable to the Minor Children, said periodic payments to be provided through a qualified assignment to Prudential Assigned Settlement Services Corporation (the "Assignee"), and the issuance of annuity contracts from The Prudential Insurance Company of America:

**Ryan McLaughlin**

\$19,825.00 payable on September 22, 2012, guaranteed;

Commencing July 1, 2013, \$12,500.00 payable semi-annually for 4 years guaranteed (final guaranteed payment due on January 1, 2017); and

\$51,587.00 payable on September 22, 2019, guaranteed.

**Mark McLaughlin**

\$21,510.00 payable on April 14, 2015, guaranteed;

Commencing July 1, 2015, \$14,000.00 payable semi-annually for 4 years guaranteed (final guaranteed payment due on January 1, 2019); and

\$61,589.00 payable on April 14, 2022, guaranteed.

4. All funds that the Escrow Agent releases to the Plaintiff's counsel shall be distributed by the Plaintiff's counsel between the recovery of the Plaintiff, in his individual capacity, the attorney's fees of the Plaintiff's counsel, and the payment of expenses, as ordered by the Court in the closed hearing on this matter on April 5, 2007.

**SO ORDERED**

This 26~~th~~ day of April, 2007.

  
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Hon. Jed S. Rakoff, U.S.D.J.